

MINUTES OF THE
VIDEO CONFERENCE EXECUTIVE COMMITTEE MEETING
TUESDAY, OCTOBER 7, 2008 1:00 P.M.

Present:

Committee Members

Allison Davis
Michael Goetz
Jack Mazzotti

Board Member

Ron Powell

Staff

William Atwood
Johara El-Harazin
Emily Reid
Katherine Spinato

Guests

Marquette Associates
Brian Wrubel

Absent:

Committee Member

Hoffman

ROLL CALL

Chairman Goetz called the meeting to order at 1:00 p.m. The Secretary called the roll and noted that a quorum was present.

Chairman Goetz stated that the purpose of the emergency meeting was to discuss the Board's Securities Lending program managed by State Street Bank & Trust.

Director Atwood referred the Committee Members to his memorandum "Revision of Securities Lending Relationship with State Street Bank and Trust (State Street)" dated October 7, 2008. The Director reviewed the Securities Lending account and reported that Staff and consultant were in discussions with State Street relating to ongoing disruptions in the credit markets and the Board's desire to reduce risk to those markets through the securities lending program. The Director further reported that he had directed State Street to cap the ISBI investment of cash collateral in the State Street Quality Funds for Short-Term Investment Fund (Quality D Fund) at \$1.6 billion with the understanding that the cap may be exceeded from time to time due to fluctuations in the value of securities on loan. Further, the Director directed State Street to invest cash collateral in the State Street Navigator Securities Lending Prime Portfolio, at the earliest time deemed appropriate by State Street. (Official minutes contain attachment.)

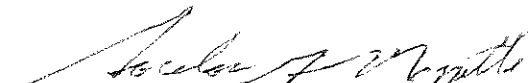
Following detailed review and discussion, Mr. Davis moved to affirm the actions of Director Atwood. Mr. Mazzotti seconded and the motion passed unanimously.

NEXT MEETING AND ADJOURNMENT

Chairman Goetz stated that the next meetings scheduled were an Audit & Compliance Committee and Board meeting to be held December 19, 2008 at 9:30 a.m. and 9:45 a.m., respectively. At 1:25 p.m., there being no further business to come before the Committee, Mr. Mazzotti moved to adjourn. Mr. Davis seconded and the meeting was adjourned.

Respectfully submitted,



Michael Goetz, Chairman

Gordon John Mazzotti, Vice Chairman